

Legislation Will Offer Tax Rebates for 4.8 Million Families in Ohio

Washington, D.C. – Congressman Tim Ryan (OH-17) today joined an overwhelming bipartisan majority in the House of Representatives in support of the Recovery Rebates and Economic Stimulus for the American People Act. The legislation will help stimulate the economy, providing tax rebates to 4.8 million households in Ohio and was passed by a vote of 385-35. Tax rebates of up to \$1,200 per couple, plus \$300 per child, could be seen as early as mid-May.

“I believe this bill will help ease the burden of many families across our community, but we need to do more,” said Congressman Ryan. “We face enormous employment problems, spiraling health care costs, unfair trade practices and predatory lending practices in the mortgage industry which have to be addressed. I call upon President Bush to work cooperatively with Congress to confront these challenges .”

The bill passed today provides a recovery rebate to 13 million senior citizens and 117 million families, including 35 million families who work but make too little to pay income taxes. The House-passed stimulus package will provide tax relief of up to \$600 per individual and \$1,200 per married couple, plus an additional \$300 per child. All told, the bill is estimated to provide an average tax rebate of \$875 to Ohio families and save them a total of \$4.2 billion across the state.

The legislation also includes tax cuts for small businesses. The bipartisan plan doubles the amount small businesses can immediately write off their taxes for capital investments, and encourages investments in new equipment. Additionally, the plan offers immediate tax relief for all businesses to invest in new plants and equipment by speeding up depreciation provisions so that firms can write off an additional 50 percent for investments purchased in 2008.

“I am especially proud of the small business tax cuts included in the bill. The ability to immediately write off taxes on capital investments encourages spending on new equipment which will have a direct impact on the economy. I urge all of our small businesses to take advantage of these tax rebates,” said Congressman Ryan.

Importantly, the bipartisan plan also includes provisions to help families avoid losing their homes to foreclosure. The bill expands affordable mortgage loan opportunities for families at risk of foreclosure through the Federal Housing Administration. To enhance credit availability in the mortgage market, the measure also includes a one-year increase in the loan limits for single family homes from Fannie Mae and Freddie Mac.

While this bill has passed the House, it is subject to change due to Senate action and requires the signature of the President to be enacted into law.